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OF COUNSEL
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August 26, 2003

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Re: HEARING APPLICATION
Alternate Unit Wells
GRAY RB SUA
GRAY RB SUC
Cotton Valley Field
Webster Parish, Louisiana
Our File No. 230765.0009

Dear Sir:

On behalf of CHESAPEAKE OPERATING, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Gray Sand, Reservoir B, in the Cotton Valley Field, Webster Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize an additional alternate unit well for GRAY RB SUA at any legal location in such unit.
2. To permit the applicant to drill, designate and utilize the Chesapeake Operating, Inc. - Acklen 20 No. 3-Alt. Well, as an additional alternate unit well for GRAY RB SUC, at the location shown on the plat attached hereto, or at any other legal location in such unit.
3. To explicitly find that the abovesaid wells are necessary to drain a portion of the Gray Sand, Reservoir B, in the Cotton Valley Field, underlying GRAY RB SUA and GRAY RB SUC, respectively, which cannot be efficiently and economically drained by any existing well in such units.

4. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Gray Sand, Reservoir B, in the Cotton Valley Field, Webster Parish, Louisiana was fully defined in Office of Conservation Order No. 10-EE-1, effective August 9, 1978.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of the undersigned. Any person wishing to inspect such data should call the undersigned at (318) 221-6858 during normal business hours or write the undersigned at the above address in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

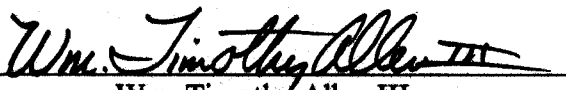
A check in the amount of \$1,510.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

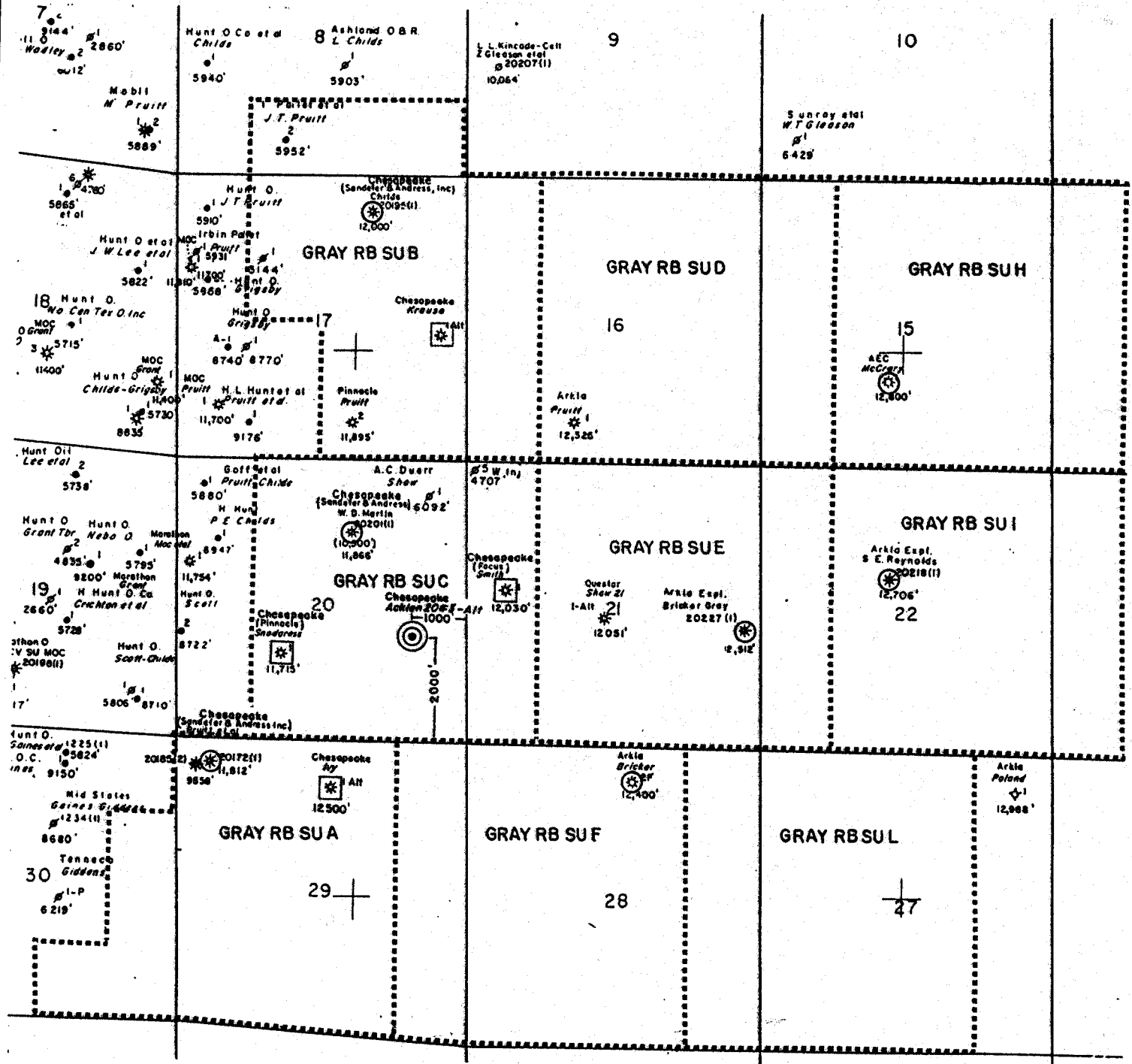
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WTAIII/cmd
Enclosures

By: 
Wm. Timothy Allen III
Attorneys for Chesapeake Operating, Inc.

cc: Mr. James C. Broussard, Shreveport District Manager,
Office of Conservation (w/enclosures)
Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)

T21N-R9W



GRAY RB SU (\pm 640 ACRES)

- PROPOSED ALTERNATE UNIT WELL
- ALTERNATE UNIT WELL
- UNIT WELL

DOCKET NO

EXHIBIT NO

CHESAPEAKE OPERATING, INC.
UNIT PLAT
PROPOSED ALTERNATE UNIT WELLS
FOR
GRAY RB SU A AND C

COTTON VALLEY FIELD
WEBSTER PARISH, LA.

